



Ministry of  
**Finance**  
of Ukraine

# **Budget 2024: from the war budget to the economy for victory**

**Draft law № 10000**  
**15.09.2023**

# Budget 2024 takes into account the main priorities of the future Ukrainian Doctrine of the President of Ukraine Volodymyr Zelenskyy



## 1 Philosophy of victory

- Measures to strengthen the state's defense capability, repulsing Russia's armed aggression against Ukraine

## 2 Globalization of Ukrainian security

- Reform and development of the defense industry, missile weapons, and creation of a missile defense system
- UAVs procurement

## 3 Policy of heroes

- Institution of Veteran's Assistant, provision of housing for war veterans and their families
- New system of military education; development of a platform for exporting Ukrainian defence expertise
- Mental and physical rehabilitation of veterans

## 4 Policy of justice in Ukraine

- Optimization of the number of courts, development of electronic justice
- Building the institutional capacity of the HACC
- Proactive actions to protect the rights and interests of Ukraine in international disputes against the aggressor state

## 5 Transformation in ten years

- Modernization of Ukrainian education and stimulation of science development in Ukraine
- New relations between the state and society, efficient civil service
- Modernization of pension payments (pension indexation)
- Accessibility of shelters, solving the weapons issues, demining of territories
- New foreign policy, expansion of diplomatic presence in Africa

# Macro indicators



Indicator	2022 Fact	2023 Forecast	2024 Draft
Nominal GDP, UAH billion	<b>5,191.0</b>	<b>6,370.1</b>	<b>7,824.8</b>
%% to the previous year	<b>70.9</b>	<b>102.8</b>	<b>105.0</b>
GDP deflator, %	<b>134.3</b>	<b>119.4</b>	<b>117.0</b>
Consumer price index, December to December of the previous year, %	<b>126.6</b>	<b>114.7</b>	<b>110.8</b>
Average monthly salary, UAH	<b>14,847</b>	<b>18,118</b>	<b>21,852</b>
UAH/USD exchange rate, average for the period (assumptions)	<b>32.3</b>	<b>37.5</b>	<b>41.4</b>
Exports of goods and services, % yoy	<b>69.9</b>	<b>101.0</b>	<b>107.5</b>
Imports of goods and services, % yoy	<b>98.2</b>	<b>110.9</b>	<b>94.5</b>

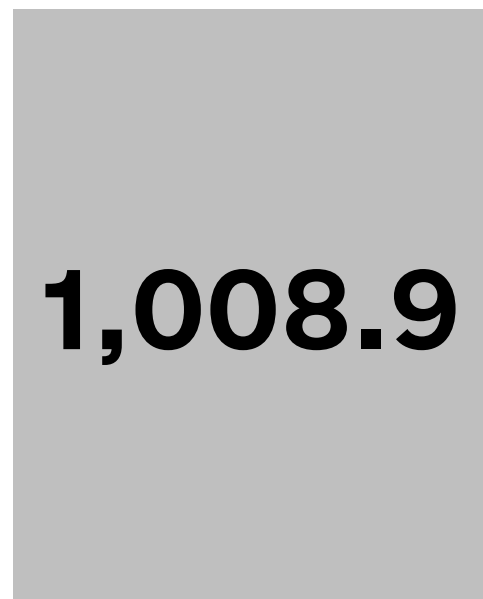
# Revenues (general fund)

(excluding official transfers, grants and assistance from the international partners)



UAH billion

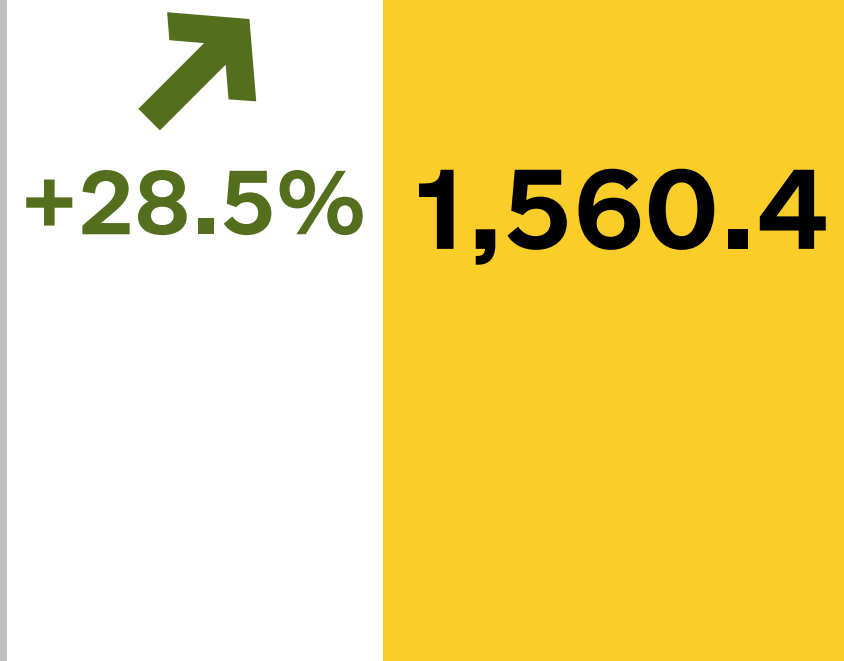
**↑+345.7** UAH billion  
to 2023



2022  
(fact)



2023  
(forecast)



2024  
(draft)

# Revenues by main sources (general fund)



**UAH billion**

**to 2023**

Personal income tax	<b>216.8</b>	<b>+36.4</b>
Corporate profit tax	<b>173.5</b>	<b>+62.8</b>
Excise tax on goods produced in Ukraine	<b>98.8</b>	<b>+35.5</b>
Excise tax on goods imported into the customs territory of Ukraine	<b>96.5</b>	<b>+70.1</b>
Value-added tax on goods produced in Ukraine	<b>297.8</b>	<b>+70.1</b>
Value-added tax on goods imported into the customs territory of Ukraine	<b>455.5</b>	<b>+60.6</b>

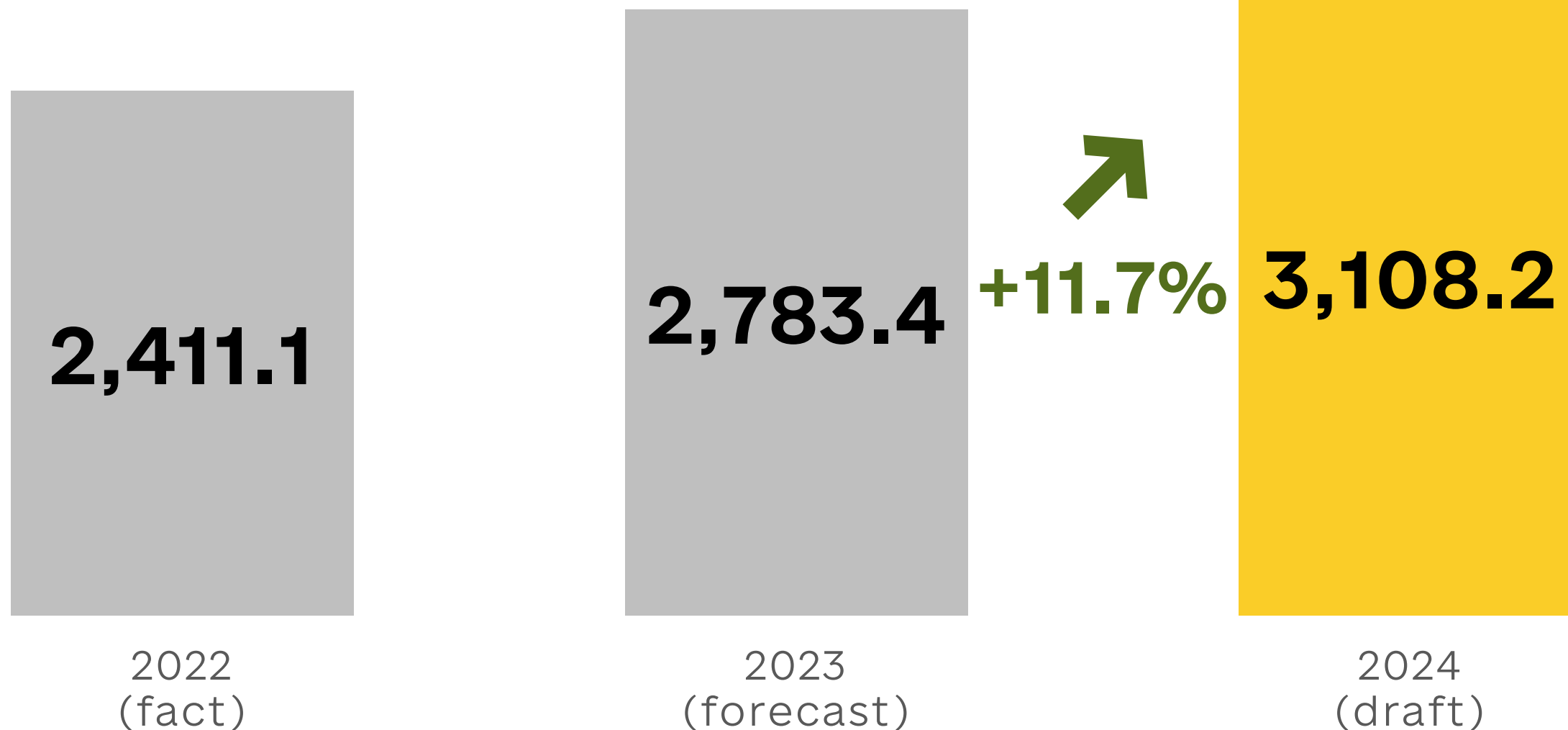
\*in 2024, excise tax will be 100% in the general fund of the State Budget

# Expenditures (general fund)



UAH billion

**↑ +324.8** UAH billion  
to 2023



# Resource for security and defense



UAH billion

Indicator	2022 Fact	2023	2024 Draft
<b>RESOURCE - TOTAL:</b>	<b>1,537.5</b>	<b>1,572.1</b>	<b>1,684.9</b>
<b>Salaries with accruals</b>	<b>893.0</b>	<b>1,044.8</b>	<b>1,071.5</b>
<b>Arms and military (special) equipment, including:</b>	<b>399.1</b>	<b>373.0</b>	<b>440.3</b>
Ministry of Strategic Industry (development of the defense industry)	7.7	7.7	55.8
State Service of Special Communications and Information Protection (procurement of UAVs)	0	40.0	48.1
<b>Other expenditures</b>	<b>245.4</b>	<b>154.3</b>	<b>173.1</b>

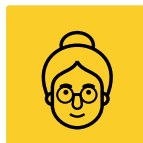


# Social protection

Support of socially vulnerable people, their mental health and provision of comprehensive services



**468.8 UAH billion** [+24.7 UAH billion to 2023]



Transfer to the Pension Fund to pay pensions

**271.9 UAH billion**



Allowances for people in difficult life circumstances, children and low-income families (5 million recipients of allowances, 250 thousand low-income families)

**136.5 UAH billion**



Payment of benefits and subsidies  
3.2 million households

**49.9 UAH billion**



Social protection of people with disabilities  
About 800 thousand people

**5.8 UAH billion**

## Budget priorities:

- Development of social services
- Deinstitutionalization (foster care for orphans)

**1 UAH billion**

**0,5 UAH billion**



# Support for war veterans

## Reformed approaches to the veteran policy



**14.3 UAH billion**

**[+7.5 UAH billion to 2023]**



Housing for disabled war veterans, combatants and their families  
(2.2 thousand persons)

**5.7 UAH billion**



Mental, physical and psychological rehabilitation of veterans and their families

**2.6 UAH billion**



National military memorial cemetery

**516 UAH million**



Ukrainian Veterans' Fund

**248 UAH million**

### **Included in the budget for the first time:**

- Veteran Assistants Institution  
(15 thousand veteran assistants)
- Pilot project on dental prosthetics

**3.8 UAH billion**

**749 UAH million**

# Sports



**7.5 UAH billion**

**[+3.6 UAH billion to 2023]**



National teams preparation and participation in international and national events

**4.9 UAH billion**



Participation of Ukrainian athletes in the Olympic, Paralympic, and Deaflympic Games, Olympic festivals, and Youth Olympic Games

**1.9 UAH billion**



Development of the Olympic, Paralympic, and youth student sports movements

**410 UAH million**



Creating conditions for the training for the Ukrainian athletes

**262 UAH million**



Social project Active Parks - Locations of Healthy Ukraine to restore the nation's mental health

**124 UAH million**

# Healthcare



**201.9 UAH billion**

**[+24.4 UAH billion to 2023]**

with transfers



Medical guarantee program

**158.8 UAH billion**



Medicines and medical devices for treatment of serious diseases

In particular: endoprostheses, medical devices for the treatment of injuries, blood donation, hearing aids, medicines for the treatment of cardiovascular and oncological diseases

**9.4 UAH billion**



Prediction, detection and response to diseases outbreaks and emergencies

**4.9 UAH billion**



Modern medical equipment for hospitals

**2.8 UAH billion**

## **Included in the budget for the first time:**

- Introduction of a new affordable service for infertility treatment by artificial insemination
- Development of a system for high-precision cancer diagnostics (PET scans)

**1.5 UAH billion**

**1.6 UAH billion**

# Education



**178.8 UAH billion**

**[+22.9 UAH billion to 2023]**



Teachers' salaries **+18% to 2023**  
(the average monthly estimated salary of a teacher of the highest category increases from UAH 14.4 thousand to UAH 16.9 thousand)

**103 UAH billion**  
**(educational subvention)**



Improving the quality of educational services

- The New Ukrainian School
- School buses
- Educational books for schoolchildren

**4 UAH billion**



Arrangement of new safe, modern and comfortable educational spaces

- Comfortable shelters for students and teachers
- Renovation of buildings and facilities of educational institutions

**3.3 UAH billion**

## **Budget priorities:**

- Modernization of school canteens to ensure healthy nutrition for children
- Purchase of the modern educational equipment for vocational schools

**1.5 UAH billion**

**0.5 UAH billion**

# Culture and media



**10.7 UAH billion**

**[+2.3 UAH billion to 2023]**



Operation and development of public media; ensuring information security of the state

**3.4 UAH billion**



Ensuring the development of Ukrainian culture by supporting theater and concert organizations

**2.1 UAH billion**



Financial support for initiatives in the field of culture and creative industries. Promoting lifelong reading

**554 UAH million**

## Budget priorities:

- Introduction of certificates for books for children
- Implementation of projects to support national minorities and indigenous peoples

# Digital transformation of priority sectors and areas of public life



**2.5 UAH billion**

**[+2.1 UAH billion to 2023]**



Development of Ukrainian innovative technologies

**1.5 UAH billion**



E-governance

**749 UAH million**



Digital transformation of government agencies within the framework of the State Anti-Corruption Program

**300 UAH million**

## Included in the budget for the first time:

- Innovative projects to meet the needs of the security and defense sector (BRAVE 1)
- Mriya app - access to knowledge from anywhere in the world

# Science



**13.5 UAH billion**

**[+1.7 UAH billion to 2023]**



Support for priority scientific research

**11.1 UAH billion**



Grant support for research by the National Research Foundation

**663 UAH million**



Modernising and updating research infrastructure

**232 UAH million**

## **Budget priorities:**

- Scientific research related to research in the field of defence industry and food security
- Modernisation of research infrastructure for young scientists



# Judiciary



**24 UAH billion**

**[+3.9 UAH billion to 2023]**



State Judicial Administration of Ukraine

**20.5 UAH billion**

**[+3.2]**



Supreme Court

**2.4 UAH billion**

**[+0.3]**



High Anti-Corruption Court

**433 UAH million**

**[+140]**



High Council of Justice

**343 UAH million**

**[+110]**



Constitutional Court of Ukraine

**334 UAH million**

**[+63]**

# Strengthening the institutional capacity of foreign diplomatic missions



**8.3 UAH billion**

**[+2.2 UAH billion to 2023]**



Operation of Ukraine's diplomatic missions abroad (in particular, expanding the diplomatic presence in Africa)

**7.1 UAH billion**



Ensuring a positive international image and conducting Ukraine's foreign policy

**632 UAH million**



Ukraine's contributions to international organisations

**511 UAH million**

# Transparent mechanism of remuneration in the civil service



Labour remuneration reform as part of public administration reform is an important element of the EU accession negotiations



A system of grades is being introduced to improve the fairness, transparency and competitiveness of civil service salaries



The minimum official salary of the lowest civil service position (district level specialist) is set at the level of the minimum wage

# Recovery, business support, regional development, and specific industries development



Reserve fund  
(in particular, allocation of funds for the construction of roads for military purposes)

**44.8**  
UAH billion



Support for the implementation of investment projects

**3**  
UAH billion



Business Development Fund  
(5-7-9%)

**18**  
UAH billion



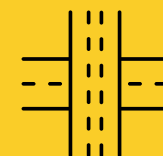
Support for the regions (reverse subsidy)

**14.1**  
UAH billion



Provision of housing for citizens through the Ukrainian Financial and Housing Company

**9.4**  
UAH billion



Maintenance of roads in the winter period

**≈3**  
UAH billion



Additional subsidies to local budgets for the exercise of powers of local governments, in particular in the de-occupied territories

**33.4**  
UAH billion

# Recovery, business support, regional development, and specific industries development



Support of internal demand for domestic goods and services

**3**  
UAH billion



Humanitarian land demining

**2**  
UAH billion



Innovation Development Fund

**1.5**  
UAH billion



Providing grants to businesses

**1.4**  
UAH billion



Establishment of industrial parks

**1**  
UAH billion



Compensation for the cost of domestic agricultural machinery

**1**  
UAH billion

# Local budgets resources



UAH billion

Indicator	2021	2024 Draft
Personal Income Tax	212.2	237.8
<b>Additional subsidies to local budgets for the exercise of powers of local self-government authorities, in particular in the de-occupied territories</b>		<b>33.4</b>
Basic subsidy	15.7	21.1
<b>Reverse subsidy</b>	<b>-10.4</b>	<b>+14.1</b>
<b>Total</b>	<b>217.5</b>	<b>292.3*</b>

\* for 2024 it is proposed:

- to allocate personal income tax of military personnel to a special fund of the State Budget for the expenditures of the defence industry
- to remain the estimated amount of the reverse subsidy in the amount of UAH 14.1 billion at the disposal of local governments

# Need for international financing



## External borrowings, USD billion



2023



2024  
(draft)

Funds are planned to be raised, in particular, from:



**United States of America**



**International Monetary Fund**



**European Union**



**World Bank**



**Japan**



# State budget deficit and public debt



## State budget deficit, UAH billion

27.0% of GDP

**1,719.7**

2023  
(with changes)



**-6.6 p.p.**

20.4% of GDP

**1593,6**

2024  
(draft)

## Public debt, UAH billion

97.3% of GDP

**6,197.1**

2023  
(with changes)



**+7.3 p.p.**

104.6% of GDP

**8,183.9**

2024  
(draft)

# Financing of the State Budget (general fund)



UAH billion

Indicator	2024 draft
Public borrowings	<b>2,133.7</b>
External	1,712.1
Internal	421.6
Repayments	<b>606.5</b>
External	184.9
Internal	421.6
Servicing	<b>422.0</b>
Privatization of state property	<b>4.0</b>



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